

AMENDED IN ASSEMBLY APRIL 15, 2013

AMENDED IN ASSEMBLY APRIL 2, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 566

Introduced by Assembly Member Wieckowski

(Coauthors: Assembly Members *Alejo, Chau, Dickinson, Garcia, Gomez, Jones-Sawyer, Muratsuchi, Rendon, Skinner, Stone, and Williams*)

February 20, 2013

An act to add Section 71621 to the Government Code, relating to courts.

LEGISLATIVE COUNSEL'S DIGEST

AB 566, as amended, Wieckowski. Courts: personal services contracting.

The Trial Court Employment Protection and Governance Act establishes a trial court employee personnel system that provides authority to hire trial court personnel, regulates the classification and compensation of trial court employees, labor relations, and personnel files, and requires each trial court to establish a system of employment selection and advancement and an employment protection system.

Existing law authorizes state agencies to use personal services contracts to achieve cost savings if specified standards are satisfied, including, among other things, the contract does not cause the displacement of civil service employees and the contract is awarded through a publicized, competitive bidding process. The State Personnel Board is required to review a proposed contract upon the request of an employee organization for compliance with those standards.

This bill would establish specified standards if a trial court intends to enter into a new contract, or renew or extend an existing contract, for any services that are currently or customarily performed by trial court employees, or that were performed or customarily performed by trial court employees at the time the contract was originally entered into or previously renewed or extended. Among other things, the bill would require the trial court to clearly demonstrate that the contract will result in actual overall cost savings to the trial court for the duration of the entire contract as compared with the trial court's actual costs of providing the same services. The bill would require a contract for services in excess of \$100,000 annually to include specific, measurable performance standards and provisions for audits on performance and cost savings, as specified. The bill would provide that these standards apply to ~~contracts~~ *any contract* entered into, renewed, or extended after the effective date of this measure, but that a contract entered into, renewed, or extended by a trial court between the date this measure is enacted and the date this measure becomes ~~effective~~ *operative* that does not comply with these standards shall terminate 90 days after the date this measure becomes ~~effective~~ *operative*, as specified.

The bill would provide that its provisions are severable.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 71621 is added to the Government Code,
- 2 to read:
- 3 71621. (a) If a trial court intends to enter into a new contract,
- 4 or renew or extend an existing contract, for any services that are
- 5 currently or customarily performed by trial court employees, or
- 6 that were performed or customarily performed by trial court
- 7 employees at the time the contract was originally entered into or
- 8 previously renewed or extended, all of the following requirements
- 9 shall apply:
- 10 (1) The trial court shall clearly demonstrate that the contract
- 11 will result in actual overall cost savings to the trial court for the
- 12 duration of the entire contract as compared with the trial court's
- 13 actual costs of providing the same services. In comparing costs,
- 14 all of the following shall occur:

1 (A) The trial court's additional cost of providing the same
2 services as proposed by the contract shall be included. These
3 additional costs shall include the salaries and benefits of additional
4 staff that would be needed and the cost of additional space,
5 equipment, and materials needed to perform the services.

6 (B) The trial court's indirect overhead costs shall not be included
7 unless those costs can be attributed solely to the function in
8 question and would not exist if that function was not performed
9 by the trial court. For *the* purposes of this subparagraph, "indirect
10 overhead costs" means the pro rata share of existing administrative
11 salaries and benefits, rent, equipment costs, utilities, and materials.

12 (C) The cost of a contractor providing a service for any
13 continuing trial court costs that would be directly associated with
14 the contracted function shall be included. Continuing trial court
15 costs shall include, but not be limited to, costs for inspection,
16 supervision, and monitoring.

17 (2) The contract shall not be approved solely on the basis that
18 savings will result from lower contractor pay rates or benefits.
19 Contracts shall be eligible for approval if the contractor's wages
20 are at the industry's level and do not undercut trial court pay rates.

21 (3) The contract shall not cause an existing trial court employee
22 to incur a loss of his or her employment or employment seniority,
23 a reduction in wages, benefits, or hours, or an involuntary transfer
24 to a new location requiring a change in residence.

25 (4) The contract shall not be approved if, in light of the services
26 provided by trial courts and the special nature of the judicial
27 function, it would be inconsistent with the public interest to have
28 the services covered by the contract performed by a private entity.

29 (5) The contract shall be awarded through a publicized,
30 competitive bidding process.

31 (6) The contract shall include specific provisions pertaining to
32 the qualifications of the staff that will perform the work under the
33 contract, as well as assurances that the contractor's hiring practices
34 meet applicable nondiscrimination standards.

35 (7) The contract shall provide that it may be terminated at any
36 time by the trial court without penalty if there is a material breach
37 of the contract and notice is provided within 30 days of termination.

38 (8) If the contract is for services in excess of one hundred
39 thousand dollars (\$100,000) annually, all of the following shall
40 occur:

1 (A) The trial court shall require the contractor to disclose all of
2 the following information as part of its bid, application, or answer
3 to a request for proposal:

4 (i) A description of all charges, claims, or complaints filed
5 against the contractor with a federal, state, or local administrative
6 agency during the prior 10 years.

7 (ii) A description of all civil complaints filed against the
8 contractor in a state or federal court during the prior 10 years.

9 (iii) A description of all state or federal criminal complaints or
10 indictments filed against the contractor, or any of its officers,
11 directors, or managers, at any time.

12 (iv) A description of any debarments of the contractor by a
13 public agency or licensing body at any time.

14 (B) The trial court shall include in the contract specific,
15 measurable performance standards and provisions for a
16 performance audit by the trial court, or an independent auditor
17 approved by the trial court, to determine whether the performance
18 standards are being met and whether the contractor is in compliance
19 with applicable laws and regulations. The trial court shall not renew
20 or extend the contract prior to receiving and considering the audit
21 report.

22 (C) The contract shall include provisions for an audit by the
23 trial court, or an independent auditor approved by the trial court,
24 to determine whether and to what extent the anticipated cost
25 savings have actually been realized. The trial court shall not renew
26 or extend the contract before receiving and considering the audit
27 report.

28 (9) The term of the contract shall not be more than five years
29 from the date on which the trial court approves the contract.

30 (b) This section does not preclude a trial court or the Judicial
31 Council from adopting more restrictive rules regarding the
32 contracting of court services.

33 SEC. 2. Section 1 of this act shall apply to ~~contracts~~ any
34 *contract* entered into, renewed, or extended after the effective date
35 of this act. Any contract entered into, renewed, or extended by a
36 trial court between the date this act is enacted and the date this act
37 becomes operative that does not comply with Section 1 of this act
38 shall terminate 90 days after the date this act becomes operative,
39 unless the contract contains an earlier termination date. The

1 contract may be renewed or extended in compliance with Section
2 1 of this act.

3 SEC. 3. The provisions of this act are severable. If any
4 provision of this act or its application is held invalid, that invalidity
5 shall not affect other provisions or applications that can be given
6 effect without the invalid provision or application.

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